

Reusable Textiles and Textile Services

Premier's [Facilities and Environmental Services Committee](#) is pleased to announce new agreements for reusable textiles and textile services have been awarded to incumbents American Dawn Inc., Encompass Group LLC, Medline Industries Inc., Phoenix Textile Corporation and Standard Textile Co. Inc. and to new supplier Above the Sill.

This category includes apparel, bedspreads, pillows, pillowcases, linens/sheets, blankets, robes, bath rugs, shower curtains, cubicle curtains, terry products (towels, curtains, etc.), window treatments, surgical textiles, hamper bags and incontinence products.

Related categories:

- Reusable Surgical Linen and Gown Reprocessing Services: Sterile drapes and gowns that are collected when soiled and delivered to the operating room once they are cleansed and sterile
- Uniforms, Mats, Microfiber and Towels: Rental/lease or direct purchase of uniforms, mats, microfiber and/or towels

Considerations when purchasing reusable textiles and textile services:

Financial considerations	End-user safety and satisfaction	Roadblocks to conversion
<ul style="list-style-type: none"> Cost of cleaning and maintenance Value-adds 	<ul style="list-style-type: none"> Flame-resistant fabrics Fabrics that can be laundered and free of bed bugs, pathogens, etc. 	<ul style="list-style-type: none"> Facilities using disposable textiles

The following tools and resources within this toolkit are designed to assist you through the value analysis process:

- [Category information](#): Basic understanding of reusable textiles
- [Product offering](#): Chart of contracted products
- [Critical specifications](#): Supplier responses to committee questions
- [Product review tips](#): Items to look at when comparing products
- [Supplier tiers](#), [financial highlights](#), [market highlights](#), and [terms and conditions](#) for all agreements

Additional resources:

- [Executive summary](#): A high-level PDF overview intended for supply chain and C-suite executives. This document includes agreement highlights, purchasing considerations and information on Premier resources.
- [Modifiable value analysis toolkit](#): A Microsoft Word version of the toolkit that allows for edits and customization for member specific needs. Please note that the links in the Word version to Premier resources may be broken. To maintain link integrity please use the PDF value analysis toolkit.
- [Product cross reference](#): An Excel spreadsheet reference identifying product comparisons and functional equivalents. Where possible, non-awarded supplier product information is included along with awarded supplier product information.

Awarded Suppliers

Ctrl + click on supplier name for more information.

Reusable Textiles and Textile Services

Supplier	New contract	Expiring contract
Above the Sill *	PP-FA-503	New
American Dawn *	PP-FA-502	PP-FA-359
Encompass *	PP-FA-504	PP-FA-360
Medline	PP-FA-505	PP-FA-361
Phoenix *	PP-FA-506	PP-FA-362
Standard	PP-FA-507 AS-FA-507	PP-FA-363

The current agreement with ICP Medical (SD-FA-024) expires November 30, 2015.

* Above the Sill and Phoenix Textile are woman-owned business enterprises (WBE); American Dawn is a minority-owned business enterprise (MBE); and Encompass is a small business enterprise (SBE).

These agreements are effective December 1, 2015, through November 30, 2018.

Portfolio Highlights

- A Participating Member Designation Form (PMDF) or [electronic price activation \(PA\)](#) is required at Tier 2 or higher with all suppliers.
- Aggregation is allowed for multi-facility systems, group purchasing organizations and established networks of facilities with all suppliers.
- Pricing is firm for the term of agreement with all suppliers.
- [Financial analysis](#) reveals that compared to expiring agreements, overall new agreement pricing has:
 - 0.9 percent savings with American Dawn.
 - 2.5 percent savings with Encompass.
 - 4.4 percent savings with Medline.
 - 0.2 percent increase with Phoenix.
 - 2.8 percent savings with Standard.
- Phoenix is the low-cost supplier.
- Agreements are available to acute care, continuum of care and [Premier REACH™](#) members.

Category Information

Investing in reusable gowns, scrubs, uniforms, linen, drapes, curtains and other reusable textiles reduces waste, contributing significantly to efforts to reduce the cost of care. According to the Joint Commission on Accreditation of Healthcare Organizations, the average U.S. hospital spends between \$44 and \$68 per ton to dispose of waste. Most American hospitals generate about 6,600 tons of waste per day. Using that waste model, a 2005 study from Phillips & Associates, Inc., found that if a 300-bed hospital were to use disposable surgical products rather than reusables, they would incur additional costs of upwards of \$250,000.

The environmental impact is not limited to a product's end of life. As commercial laundries continue to make technological advances in equipment and efficiency, the environmental impact of reusable textiles continues to lessen. For example, washing a pound of healthcare textiles years ago required as much as three gallons of water. Today, as little as three-quarters of a gallon of water is needed to launder those same textiles. In [multiple science-based life cycle environmental studies](#), reusable surgical gowns and drapes demonstrate substantial sustainability benefits over the same disposable product in natural resource energy, water, carbon footprint, volatile organics and solid wastes.

Life cycle cost is also important. While both reusable and disposable isolation gowns provide equivalent levels of protection, the median lifespan of a reusable isolation gown is approximately 64 washes whereas disposable isolation gowns are single use items.

Healthcare workers benefit from reusable uniforms' heat insulation, breathability and moisture management. [In a study by the Hohenstein Institute](#), researchers measured whether reaction speed and error rate for workers in the operating room were affected by wearing disposable or reusable clothing. The results showed significant differences in the reaction time and error rate associated with the two clothing systems. The volunteers who were provided with high-quality reusable clothing generally performed better than those wearing simple disposable clothing. They had a quicker reaction time to optical and acoustic stimuli and a lower error rate. Both have a crucial effect on performance and so, potentially, on the success of a surgical intervention. Patients also enjoy the comfort of reusable textiles – 72 percent of patients say cloth is more comfortable than paper.

National Fire Protection Association (NFPA)

[NFPA 701: Standard methods of fire tests for flame propagation of textiles and films](#)

The test methods included apply to textile materials used extensively in interior furnishing for public occupancy buildings including curtains, window shades, draperies, table linens, textile wall hangings, etc. Flame-resistant fabrics are used in hotels, hospitals and similar occupancies in the interest of the preservation of lives and property from fire.

Physical properties of a linen store room

The Textile Services Association has created a [guide on how to best manage a linen store room](#). Best practices include:

- The linen store should be located in the main building to improve security and to reduce manual handling of both clean and dirty laundry.
- The linen room should be situated on the ground floor (to make it easier to take deliveries), away from public areas and with doors wide enough for staff to maneuver trolleys.
- The linen store must be clean and dry – Avoid damp walls and cellars which could result in molds or bug infestations.
- Shelving should be smooth and made of materials (ideally not wood) to avoid staining, snagging or tears, whilst allowing for the circulation of dry air.
- Flooring should be vinyl covered to protect the linen and to prevent staining. Avoid concrete.
- Rotate the linen stock to avoid light damage and to reduce wear and tear.

Sources: [Healthcare Facilities Today](#), [University of Maryland Medical Center case study](#), [Textile Rental Services Association – Comparative life cycle assessment of reusable vs. disposable textiles](#), [The Business Case for Greening the OR](#)



Product Offering

Product images are a representation of products included in this category. For a complete list of contracted products, please see Supply Chain Advisor® for more details. Press ctrl + click on supplier name to visit supplier websites.

	Above the Sill	American Dawn	Encompass	Medline	Phoenix	Standard
Apparel						
Long sleeve	N/A	✓	✓	✓	✓	✓
Short sleeve	N/A	✓	✓	✓	✓	✓
Chef apparel	N/A	N/A	✓	N/A	✓	N/A
Bibs	N/A	✓	✓	✓	✓	✓
Bedding						
Mattress pads	N/A	✓	✓	✓	✓	✓
Mattress covers	N/A	✓	✓	✓	✓	✓
Blankets	N/A	✓	✓	✓	✓	✓
Bedspreads	N/A	✓	✓	✓	✓	✓
Pillows	N/A	✓	✓	✓	✓	✓
Sheets	N/A	✓	✓	✓	✓	✓
Bath						
Robes	N/A	✓	✓	✓	✓	✓
Bath rugs	N/A	✓	✓	✓	✓	✓
Towels	N/A	✓	✓	✓	✓	✓
Shower curtains	N/A	✓	✓	✓	✓	✓
Healthcare						
Cubicle curtains	✓	✓	✓	✓	✓	✓
Incontinence products	N/A	✓	✓	✓	✓	✓
Surgical textiles	N/A	✓	✓	✓	✓	✓
Hospitality						
Napkins/table linens	N/A	✓	✓	✓	✓	✓
Window treatments	✓	✓	✓	✓	✓	✓
Hamper bags	N/A	✓	✓	✓	✓	✓



Critical Specifications

Premier's [Facilities and Environmental Services Committee](#) considered the criteria below when making contract award decisions. These are recommended variables for evaluation in product selection. All information comes directly from supplier responses to Premier's Request for Information.

	Above the Sill	American Dawn	Encompass
Product information			
Backorders within the last two years	Yes	No	No
Backorder notification	24 to 48 hours	0 to 24 hours	24 to 48 hours
Products specifically designed for pediatric population	No	Yes	Yes
Products specifically designed for bariatric population	No	Yes	Yes
Products are certified to an environmental standard, such as GOTS or Oeko-Tex	Yes	No	No
Products have antimicrobial surface treatments	Yes	No	No
Products have embedded infection control properties	Yes	Yes	Yes
Products are free of coloring agents listed as carcinogenic by IARC	Yes	Yes	Yes
Surgical textiles meet AAMI PB70 requirements for barrier protection	N/A	Yes	Yes
Apparel meets 16 CFR 1610 code for clothing flammability	N/A	Yes	Yes
Conducts ASTM standard testing D3181-10 for textile wear	N/A	No	No
Service information			
Offers programs to improve product utilization and textile losses	No	Yes	Yes
Assists with expected life of textiles for appropriate use	Yes	Yes	Yes
Can provide risk control options with functionality guarantees	No	Yes	No
Provides an integrated delivery program for restocking and unit delivery	No	Yes	No
Offers a just-in-time delivery program	No	Yes	Yes
Offers smart textiles (sensor technology, tracking and logistics)	No	No	No
Provides inventory management services	No	Yes	No
Supplier attributes			
ISO registered	No	Yes	Yes
Staff educational offerings	No	Yes – CEUs and training materials	Yes– CEUs and training materials
Manufacturing locations	United States	Mexico	United States, Latin America, Caribbean
Sales representatives – acute care (full-time employees)	< 5	5 to 20	41 to 60
Sales representatives – alternate site (full-time employees)	< 5	5 to 20	21 to 40
Clinical representatives	0	1 to 4	1 to 4
Toll-free customer service support	N/A	12 hours per day/ 5 days per week	8 hours per day/ 5 days per week

Critical Specifications (continued)

	Medline	Phoenix	Standard
Product information			
Backorders within the last two years	No	Yes	No
Backorder notification	24 to 48 hours	0 to 24 hours	0 to 24 hours
Products specifically designed for pediatric population	Yes	Yes	Yes
Products specifically designed for bariatric population	Yes	Yes	Yes
Products are certified to an environmental standard, such as GOTS or Oeko-Tex	Yes	Yes	Yes
Products have antimicrobial surface treatments	Yes	Yes	Yes
Products have embedded infection control properties	No	Yes	Yes
Products are free of coloring agents listed as carcinogenic by IARC	Yes	Yes	Yes
Surgical textiles meet AAMI PB70 requirements for barrier protection	Yes	Yes	Yes
Apparel meets 16 CFR 1610 code for clothing flammability	Yes	Yes	Yes
Conducts ASTM standard testing D3181-10 for textile wear	No	Yes	No
Service information			
Offers programs to improve product utilization and textile losses	Yes	Yes	Yes
Assists with expected life of textiles for appropriate use	Yes	Yes	Yes
Can provide risk control options with functionality guarantees	Yes	No	Yes
Provides an integrated delivery program for restocking and unit delivery	Yes	No	No
Offers a just-in-time delivery program	Yes	No	Yes
Offers smart textiles (sensor technology, tracking and logistics)	Yes	Yes	Yes
Provides inventory management services	Yes	Yes	Yes
Supplier attributes			
ISO registered	Yes	No	No
Staff educational offerings	Yes – CEUs and training materials	Yes – Training materials	Yes – Training materials
Manufacturing locations	Did not answer	Did not answer	United States, Europe, Asia
Sales representatives – acute care (full-time employees)	> 100	21 to 40	61 to 80
Sales representatives – alternate site (full-time employees)	> 100	21 to 40	61 to 80
Clinical representatives	> 30	0	1 to 4
Toll-free customer service support	24 hours per day/ 7 days per week	12 hours per day/ 5 days per week	8 hours per day/ 5 days per week

Product Review

Product factors influencing the [Facilities and Environmental Services Committee's](#) decision to move suppliers through the contracting process focused on committee member discussions and [critical specifications](#).

When conducting a product review in your facility, consider:

- End-user comfort
- Quality of fabric – Proper moisture repellency, quick drying, surface fluffy, static safety, stenciled strength, low flammability, aesthetically pleasing, non-irritating
- Infection control properties of fabric– Antimicrobial, appropriate barrier protection, easily laundered to be free of agents (such as pathogens and bed bugs)
- A total cost of ownership analysis on reusable textiles compared to disposable textiles

Consider speaking with the following influencers and decision makers:

- Facilities directors
- Infection control preventionists

To review reusable textiles in your facility, contact:

Above the Sill: Phillip Barone, 941.492.3101, phil@abovethesill.net

American Dawn: Mike Maloney, 310.223.2000, mmaloney@americandawn.com

Encompass Group: Tom Sweatt, 817.233.8064, tom.sweatt@encompassgroup.net

Medline: Mark Parry, 704.962.2111, mparry@medline.com

Phoenix Textile: Scott Rodgers, 800.325.1440 extension 5752, srodgers@phoenixtextile.com

Standard Textile: Norman Frankel, 513.761.9255, nfrankel@standardtextile.com

Note: Supplier contact information is current at time of launch. For up-to-date contact information, see the supplier's detail tab in Supply Chain Advisor.

Supplier Tiers

New supplier →

Above the Sill new tiers (PP-FA-503)	
Total product purchases (per project)	
Tier 1	< \$12,000 per project
Tier 2	≥ \$12,000 per project

American Dawn expiring tiers (PP-FA-359)	
Total product purchases (per calendar year)	
Tier 1	< \$400,000
Tier 2	≥ \$400,000

→

American Dawn new tiers (PP-FA-502)	
Total product purchases (per calendar year)	
Tier 1	< \$400,000
Tier 2	≥ \$400,000

Supplier Tiers (continued)

Encompass expiring tiers (PP-FA-360)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	\$1,500,000 to < \$3,000,000
Tier 5	≥ \$3,000,000

→

Encompass new tiers (PP-FA-504)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	\$1,500,000 to < \$3,000,000
Tier 5	≥ \$3,000,000

Medline expiring tiers (PP-FA-361)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	\$1,500,000 to < \$3,000,000
Tier 5	≥ \$3,000,000

→

Medline new tiers (PP-FA-505)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	\$1,500,000 to < \$3,000,000
Tier 5	≥ \$3,000,000
Tier 6	≥ \$4,500,000 AND 85% commitment

Phoenix expiring tiers (PP-FA-362)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	\$1,500,000 to < \$3,000,000
Tier 5	≥ \$3,000,000

→

Phoenix new tiers (PP-FA-506)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	≥ \$1,500,000

Standard expiring tiers (PP-FA-363)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	\$1,500,000 to < \$3,000,000
Tier 5	≥ \$3,000,000

→

Standard new tiers (PP-FA-507)	
Total product purchases (per calendar year)	
Tier 1	< \$100,000
Tier 2	\$100,000 to < \$300,000
Tier 3	\$300,000 to < \$1,500,000
Tier 4	\$1,500,000 to < \$3,000,000
Tier 5	≥ \$3,000,000

Financial Analysis

The financial analyses include the following:

- Incumbent new agreement pricing compared to incumbent expiring agreement pricing
- Each supplier compared to the market share leader – Standard Textile as the base
- Tier differentials

[Cross reference](#) performed by product planning staff and validated by suppliers.

Calculations are based upon overall Premier utilization. **Individual savings will vary.**

Notes: Weighted financial analysis considers the impact of each product increase/decrease in proportion to the aggregated Premier member purchase volume. Non-weighted financial analysis considers every product equally regardless of volume purchased.

When conducting an analysis, product quantity values are adjusted to represent the total number of consumable units for unit of measures (UOM). Using the same quantity of measurement values creates consistency for all calculations within a category.

American Dawn <u>new</u> agreement pricing compared to American Dawn <u>expiring</u> agreement pricing (weighted)		
Tier 1/Tier 1	Tier 2/Tier 2	Overall
5.5% increase	0.9% savings	0.9% savings

Encompass <u>new</u> agreement pricing compared to Encompass <u>expiring</u> agreement pricing (weighted)					
Tier 1/Tier 1	Tier 2/Tier 2	Tier 3/Tier 3	Tier 4/Tier 4	Tier 5/Tier 5	Overall
4.3% savings	3.3% savings	3.1% savings	1.0% savings	2.1% savings	2.5% savings

Medline <u>new</u> agreement pricing compared to Medline <u>expiring</u> agreement pricing (weighted)						
Tier 1/Tier 1	Tier 2/Tier 2	Tier 3/Tier 3	Tier 4/Tier 4	Tier 5/Tier 5	Tier 6/Tier 5	Overall
4.1% savings	4.0% savings	4.0% savings	3.9% savings	5.1% savings	7.0% savings	4.4% savings

Phoenix <u>new</u> agreement pricing compared to Phoenix <u>expiring</u> agreement pricing (weighted)					
Tier 1/Tier 1	Tier 2/Tier 2	Tier 3/Tier 3	Tier 4/Tier 4	Tier 4/Tier 5	Overall
0.2% increase	0.2% increase	0.2% increase	0.2% increase	0.2% increase	0.2% increase

Standard <u>new</u> agreement pricing compared to Standard <u>expiring</u> agreement pricing (weighted)					
Tier 1/Tier 1	Tier 2/Tier 2	Tier 3/Tier 3	Tier 4/Tier 4	Tier 5/Tier 5	Overall
1.8% savings	1.8% savings	1.7% savings	2.5% savings	4.4% savings	2.8% savings

Financial Analysis (continued)

	Suppliers compared to the market share leader – Standard as the base (weighted)		
	Overall	Number of products crossed	Percent of spend
Above the Sill	Above the Sill provides blinds and window covering and were not included in the cross reference		
American Dawn	4.5 % less favorable	91	38%
Encompass	3.4% more favorable	301	82%
Medline	13.7% less favorable	283	67%
Phoenix	3.9% more favorable	289	72%

	Supplier tier differentials				
	Tier 1 to Tier 2	Tier 2 to Tier 3	Tier 3 to Tier 4	Tier 4 to Tier 5	Tier 5 to Tier 6
Above the Sill	11.1% savings				
American Dawn	5.3% savings				
Encompass	3.8% savings	3.3% savings	4.9% savings	3.1% savings	
Medline	2.4% savings	2.4% savings	2.4% savings	2.4% savings	2.0% savings
Phoenix	1.0% savings	1.0% savings	1.0% savings		
Standard	0.9% savings	1.8% savings	2.6% savings	3.7% savings	

Value-adds

Supplier value-add programs	
Above the Sill See Exhibit J Value adds for more details.	
Free design assistance	Seller will assist member with the selection process, from fabric styles and color, to helping select the right solar shade based on location and need. Up to a \$500 value.
Free upgrade to stainless steel chain controls	Stainless steel controls are an upgrade over traditional string controls and help to hold up the day-to-day rigors of rolling the shades up and down multiple times a day in a non-residential setting. A \$15 value per shade.
American Dawn See Exhibit J Value adds for more details.	
Minimum order requirement waived	Seller will waive the minimum order requirement of \$250.

Value-adds (continued)

Encompass See Exhibit J Value adds and Exhibit K Rebates for more details.	
Guaranteed savings	A guaranteed savings program is available for any member or group of members with total purchases exceeding \$500,000. Contact seller for details.
Conversion incentive	Members will receive a 2 percent conversion bonus based on annual volume when converting to seller within the first six months of the effective date. Bonus will be paid to member in the form of a check within 45 days of the end of the six-month period.
Multiple product line rebate	If a member purchases 80 percent of their total committed volume for the eligible products, a 2 percent annual rebate will be issued for the measurement period (not to exceed 12 months). Eligible products include those covered under seller's agreements: PP-FA-504 Reusable Textiles and Textile Services, PP-NS-845 Fall Management Footwear and PP-WC-159 Pediatric and Youth Disposables (Thermoflect products only). Seller will pay rebate to member within 60 days of close of measurement period in the form of an ACH payment or wire.
Employee Purchase Program	<p>Employees of a Premier member organization may take advantage of Scrubs 4 Me: a retail website with discounts on scrubs, lab coats, chef apparel, etc.</p> <ul style="list-style-type: none"> Apparel can be customized with your facility's logo or name. Website access can be customized to only show certain types of facility-approved styles and colors. <p>To take advantage of this opportunity, visit www.scrubs4me.com and enter your facility's entity code.</p>
Medline See Exhibit J Value adds and Exhibit K Rebates for more details.	
Conversion rebate	Members who have not purchased products from seller within the previous six months prior to the effective date will qualify for a 3 percent rebate for purchases made between December 1, 2015, and May 31, 2016.
Guaranteed savings program	Members who are not a current customer of seller may qualify for a guaranteed minimum 3 percent savings on aggregated purchases for products when member elects seller as their primary distributor on Exhibit A-2.
Corporate programs	Medline offers a variety of corporate programs to assist members in meeting objectives, such as cost management, sustainability, facility management, patient satisfaction and patient safety. Speak to the supplier for details.
Phoenix See Exhibit J Value adds for more details.	
TexTrax linen management software	TexTrax linen management software package offered at no additional charge to members who qualify for Tier 2 and higher pricing with 90 percent commitment. TexTrax is used at the member level to contain linen costs by accurately tracking distribution and usage throughout a healthcare system. TexTrax is scalable and offers a broad range of report writing capabilities to assist administration in accurate budgeting. TexTrax launches require a 60 day lead-time and will be made available upon the request of the Tier 2 member. Contact seller at 314.344.5752 for additional program details.

Terms and Conditions

	Above the Sill	American Dawn	Encompass
Diversity status	WBE	MBE	SBE
Electronic PA/PMDF	Required at Tier 2 or higher	Required at Tier 2 or higher	Required at Tier 2 or higher
Aggregation	Allowed for multi-facility systems, GPOs and established networks of facilities	Allowed for multi-facility systems, GPOs and established networks of facilities	Allowed for multi-facility systems, GPOs and established networks of facilities
Continuum of care/ Premier REACH	Allowed	Allowed	Allowed
Grandfathering	Not contracted for	Not contracted for	Not contracted for
Local negotiation	Allowed	Allowed	Allowed
Direct/distribution	Direct	Direct	Direct and through distributors
Price protection	Firm for the term of agreement	Firm for the term of agreement	Firm for the term of agreement unless economic conditions warrant a price adjustment
Electronic payments*	Electronic fund transfers, purchase cards and credit cards allowed at no additional cost	Electronic fund transfers, purchase cards and credit cards allowed at no additional cost	Not contracted for
Payment terms*	Installation required: 50% paid within 45 days of product delivery or invoice receipt, whichever is later; and the balance paid within 30 days product acceptance Installation not required: 100% paid within 45 days of product acceptance or invoice receipt, whichever is later	To be paid within 60 days of product delivery, invoice receipt or product acceptance, whichever is later	To be paid within 60 days of product delivery, invoice receipt or product acceptance, whichever is later
Early payment discount*	2% if paid within 15 days	None	2% if paid within 30 days of product delivery, invoice receipt or product acceptance, whichever is later
Acceptance	10 business days	10 business days	10 business days
Minimum order*	None	Full case packs	None
Shipping terms*	Net FOB destination; transportation/insurance paid by seller; title and risk of loss transfer to member upon delivery	Net FOB destination; transportation/insurance paid by seller; title and risk of loss transfer to member upon delivery	Within the contiguous U.S. and > \$300: Net FOB destination; transportation/insurance paid by seller; title and risk of loss transfer to member upon delivery
Freight management*	Will accommodate at no additional cost	Will accommodate at no additional cost	Will accommodate at no additional cost
Guaranteed delivery time*	Per fabricator's lead time (approximately 2-8 weeks)	5 business days	5 days
Clinical/in-service training	Included in product price	Included in product price	Included in product price
Returned goods policy* See Exhibit H for details.	Products with workmanship error on behalf of seller or one of their fabricators are eligible for replacement at no cost	Authorization required; 15% restocking fee may apply	Authorization required; 15% restocking fee may apply
Ordering instructions* See Exhibit I for details.	Phone: 941.492.3101 Email: info@abovethesill.net	Phone: 800.821.2221 Fax: 310.223.2015 Email: orders@americandawn.com	Phone: 800.245.4636 Fax: 770.894.2704 Email: info@encompassgroup.net

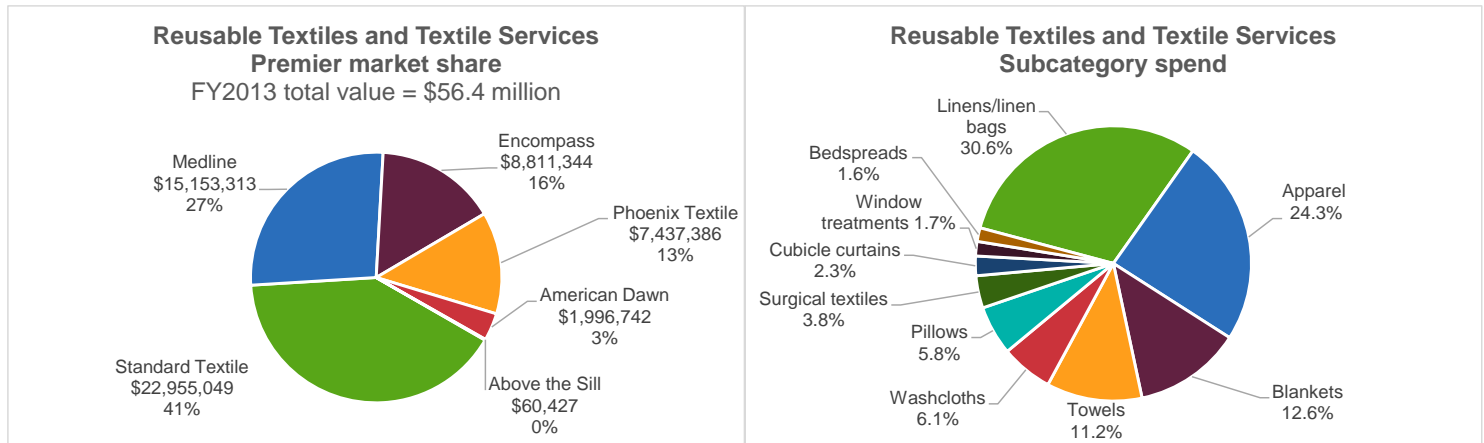
* For orders through distributors, terms are negotiated between authorized distributor and member.

Terms and Conditions (continued)

	Medline	Phoenix	Standard
Diversity status	N/A	WBE	N/A
Electronic PA/PMDF	Required at Tier 2 or higher	Required at Tier 2 or higher	Required at Tier 2 or higher
Aggregation	Allowed for multi-facility systems, GPOS and established networks of facilities	Allowed for multi-facility systems, GPOS and established networks of facilities	Allowed for multi-facility systems, GPOS and established networks of facilities
Continuum of care/ Premier REACH	Allowed	Allowed	Allowed
Local negotiation	Allowed	Allowed	Allowed
Grandfathering	If a member currently has a locally negotiated price for a product that is lower than on this agreement, the member has the right to sustain their locally negotiated pricing	If a member currently has a locally negotiated price for a product that is lower than on this agreement, the member has the right to sustain their locally negotiated pricing	If a member currently has a locally negotiated price for a product that is lower than on this agreement, the member has the right to sustain their locally negotiated pricing
Direct/distribution	Direct and through distributors	Direct	Direct
Price protection	Firm for the term of agreement	Firm for the term of agreement	Firm for the term of agreement unless economic conditions warrant a price adjustment
Electronic payments*	Electronic fund transfers, purchase cards and credit cards allowed at no additional cost	Electronic fund transfers and purchase cards allowed at no additional cost	Electronic fund transfers allowed at no additional cost
Payment terms*	To be paid within 30 days of product delivery, invoice receipt or product acceptance, whichever is later	To be paid within 60 days of product delivery, invoice receipt or product acceptance, whichever is later	To be paid within 30 days of product delivery, invoice receipt or product acceptance, whichever is later
Early payment discount*	None	2% discount if paid within 10 days of product delivery, invoice receipt or product acceptance, whichever is later	2% discount if paid within 10 days of product delivery, invoice receipt or product acceptance, whichever is later
Acceptance	10 business days	10 business days	10 business days
Minimum order*	Full case quantities	None	No less than case pack
Shipping terms*	Net FOB destination; transportation/insurance paid by seller; title and risk of loss transfer to member upon delivery	Net FOB destination; transportation/ insurance paid by seller; title and risk off loss transfer to member upon delivery	Within the contiguous U.S.: Net FOB destination; transportation/insurance paid by seller; title and risk of loss transfer to member upon delivery
Freight management*	Will accommodate at no additional cost	Will accommodate at no additional cost	Will accommodate at no additional cost
Guaranteed delivery time*	3 days	Stocked products: 5 days	5 days
Clinical/in-service training	Included in product price	Included in product price	Included in product price
Returned goods policy* See Exhibit H for details.	Authorization required; Restocking fee may apply	25% restocking fee may apply	Authorization required; 10% restocking fee may apply
Ordering instructions* See Exhibit I for details.	Phone: 800.MEDLINE Website: www.medline.com	Phone: 800.325.1440 Fax: 314.291.7169 Email: dweber@phoenixtextile.com	Phone: 800.999.0400 Fax: 800.436.7821

* For orders through distributors, terms are negotiated between authorized distributor and member.

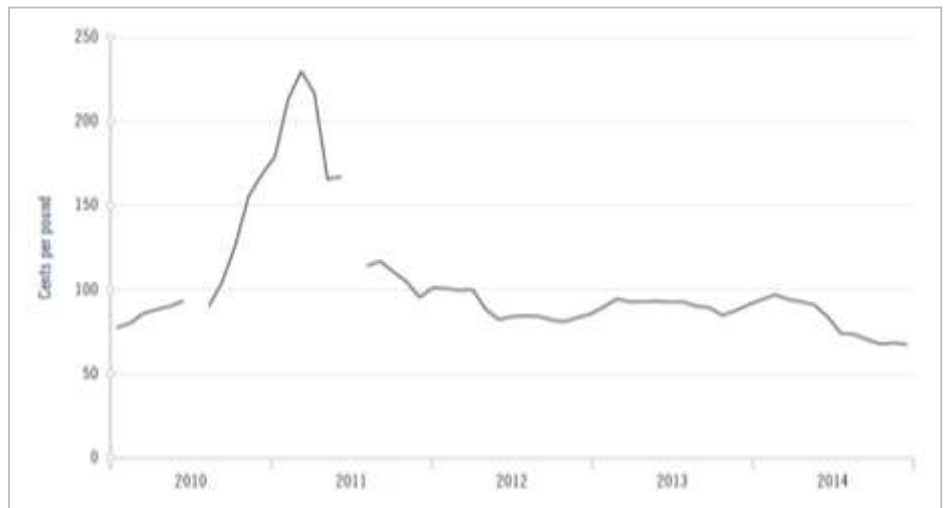
Market Highlights



Source: Premier CAMS database

Cotton market update

After hitting a 5 ½-year low of 57.30 cents per pound in January, cotton prices increased 13 percent in February 2015. Farmers, especially in the U.S. and South America, have reduced planting this season as a result of plunging prices. India, meanwhile, remains the largest producer. Global stockpiles are predicted to reach a record 109.84 million bales at the end of this growing season, according to the U.S. Department of Agriculture. China's stockpile (50 million bales) and slower economic growth have resulted in estimates of demand that are approximately 1 million bales less than China's imports last year. Limited demand from China will continue to diminish U.S. export potential. There is an upside, though, as lower prices have made cotton more competitive with synthetic fibers. In addition, demand for quality cotton, which typically comes from the U.S., Brazil and Australia, is still high, especially as these countries reduce plantings and harvesting this year.



The "Cotton A Index" is an estimate of the world price of cotton. It is an average of the five lowest quotations for a sample of 19 cottons traded internationally.

Note: Index values were unavailable from June 23, 2010, through August 1, 2010, and again from June 10, 2011, through August 1, 2011 due to insufficient quotes from merchants.

Source: [Premier's Economic Outlook \(Spring 2015\)](#)

Sourcing Summary

Reusable Textiles and Textile Services		
Committee:	Facilities and Environmental Services – All contract decisions for this portfolio are decided upon by this team of dedicated professionals	
Suppliers invited to participate:	<ul style="list-style-type: none"> Above the Sill AlSCO American Dawn American Textile Services Clarus Linen Systems Clean Tex Services Encompass Group ICP Medical ImageFirst Healthcare Laundry Inpro Medline Industries Nixon Uniform Services Phoenix Textile Rifz Textiles Soniz Healthcare Standard Textile The Blind Company Tipton Textile Rental Volcano Energy Group Westpoint Textiles 	
Awarded suppliers:	<ul style="list-style-type: none"> Above the Sill American Dawn Encompass Group Medline Industries Phoenix Textile Standard Textile 	

About the Facilities and Environmental Services Committee:

The Facilities and Environmental Services Committee includes facility directors, directors of purchasing and contracting, and materials managers. Member credentials include FASHE, PE, CPM, CHESP, CHFM, and MBAs. Average experience of the facility vice presidents and directors is 30 years; 15 years for the directors of supply chain, purchasing and contracting; and 26 years for the directors of environmental services. The committee member facilities are in all regions of the United States, including both rural and urban settings. They represent large integrated delivery networks (IDN), small hospital systems and teaching institutions.

Premier resources on environmentally preferable purchasing

Premier's [SPHERE®](#) website offers tools, resources, calculators and case studies to help hospitals reduce their energy usage and cost. Please visit the [Premier Safety Institute®](#) website for additional resources on complete guidelines and downloadable information on the use of clean renewable energy for hospitals. Please ask distributors about their Energy Star products. More information about Energy Star is available at www.energystar.gov.

Premier maintains a **Facilities, Construction and Environmental Services Team** which has established a range of vehicles to share industry-leading information and continuing education opportunities with members. Please visit their website on PremierConnect at <https://premierconnect.premierinc.com>, and look under the KNOWLEDGE tab for detailed information regarding the program.

Please visit the Premier Facilities, Construction, Energy and Environmental Services community at <https://premierconnect.premierinc.com>. The community's purpose is to share best practices, aggregated purchasing/pricing, media resources, documents and local solutions across the U.S.

Working in conjunction with Premier's field force, the construction services team provides expertise in facilities management and construction. With Premier's comprehensive Construction and Renovation Program, members have access to industry-leading agreements, vital construction expertise, a website with resources such as a construction calculator and sample specification documents – all at no cost. Whether the need is facilities management, construction support or capital planning and budgeting, Premier can support your efforts to achieve maximum outcomes.

Premier will build complementary relationships with your general contractor, architect and equipment planner; broaden the facilities portfolio specific to construction projects, including regional agreements; engage all stakeholders in the construction decision-making process; and educate third parties of the benefits to the project owner when Premier agreements are used.

Information contained in this document is current as of October 15, 2015.

Why price activation/PMDF is important

In addition to ensuring member and supplier agreement for both appropriate price tier(s) and applicable facilities, price activation (PA)/PMDF also enables:

- Member visibility to the PA/PMDF status in the Supply Chain Advisor catalog at the contract and price tier level.
- Transmission of PA/PMDF information to SpendAdvisor® and Global Healthcare Exchange (GHX).
- Price tier visibility for boarded distributors (i.e. distributors with direct access to Supply Chain Advisor on all contracts where they were selected as a distributor).

Questions

For questions about these agreements, please contact your local Premier representative or the Premier Solution Center at 877.777.1552 or solutioncenter@premierinc.com. Pricing and other contract information may be accessed through Premier's Supply Chain Advisor® catalog at <https://premierconnect.premierinc.com>.

Value analysis toolkits: The goal of the value analysis toolkits is to expedite value analysis processes of Premier supplier offerings within member facilities by leveraging the existing work already completed by the Premier member committees as part of the standard negotiations process. Certain contracted products and/or services may still require a trial within your integrated delivery network (IDN), regional collaborative or facility. While some members may still choose to complete ad hoc value analysis work at their facility, we hope that these enhanced documents will give you the critical information gathered in our in-depth sourcing process as well as related resources to move you to trial more efficiently.

As in your own facilities, depth of material will depend on who was awarded, their market share, healthcare-associated conditions and concerns commonly associated with procedures in which the product/service is used, and the ability to share member conversion/usage experiences.